RESEARCH BRIEF · 12 AUGUST 2026

Dubai Property Draws AED 148.35 Billion in Foreign Capital as New Investor Base...

Dubai Land Department data shows foreign real estate investment reached AED 148.35 billion in Q1 2026, up 26% year on year, while new property investors rose 14% to 29,312. Total real estate transactions hit AED 252 billion in ...

HIGH	8.3	11 August 2026	7/10
INVESTOR IMPACT	SIGNIFICANCE SCORE	EVENT DATE	SOURCE RELIABILITY

Bradley James
Associate Director & Senior Investment Advisor

EXECUTIVE SUMMARY

01

Dubai Property Draws AED 148.35 Billion in Foreign Capital as New Investor Base Grows 14%

Dubai Land Department figures released via Provident Estate show foreign capital committed to Dubai real estate reached AED 148.35 billion in Q1 2026, a rise of 26% year on year. The market attracted 48,448 property investors in the quarter, of whom 29,312 were entering for the first time, a 14% increase in new entrants year on year. Total real estate transactions reached AED 252 billion, up 31% in value, while luxury real estate investment climbed 26% to AED 87.71 billion. For an investor weighing capital preservation over a 5 to 10 year horizon, the relevant signal is not the headline transaction record. It is that the buyer pool is widening at the same time capital per investment is deepening, which speaks to the durability of demand rather than a single strong quarter.

- Foreign investment in Dubai real estate reached AED 148.35 billion in Q1 2026, up 26% year on year, according to Dubai Land Department data
- New property investors rose 14% year on year to 29,312, out of 48,448 total investors in the quarter
- Total real estate transactions reached AED 252 billion in Q1 2026, a rise of 31% in value
- Luxury real estate investment climbed 26% to AED 87.71 billion, and foreign investors accounted for 48,445 investments, up 11%
- Dubai's rental market registered 1.38 million tenancy contracts worth AED 126.4 billion in 2025, contract value up 17%
- The reading follows a 2024 base of 226,000 transactions worth AED 761 billion, meaning growth is compounding on an already record year rather than recovering from a low

THE EVENT

02 What happened, and why it matters

WHAT HAPPENED

Dubai Land Department data, reported by Provident Estate via Zawya on 11 August 2026, shows foreign capital invested in Dubai real estate reached AED 148.35 billion in Q1 2026, up 26% year on year. Dubai attracted 48,448 property investors during the quarter, including 29,312 new investors, a 14% year on year rise in new entrants. Foreign investors accounted for 48,445 investments, up 11%, and luxury real estate investment rose 26% to AED 87.71 billion. Total real estate transactions reached AED 252 billion, up 31% in value, against a 173 billion AED figure across 57,744 investments where value rose 22% compared with a 7% rise in the number of investments. Provident Estate's leadership framed this as evidence the market has moved from cyclical recovery to structural growth, following a 2024 base of 226,000 transactions worth AED 761 billion. Separately, 1.38 million tenancy contracts worth AED 126.4 billion were registered in 2025, with contract value up 17%.

WHY IT MATTERS

For an overseas buyer, the number that matters most in this release is not the AED 252 billion transaction total. It is the 14% rise in new investors and the fact that value is rising faster than the count of investments (22% versus 7% in the 173 billion AED segment). That divergence means more capital is being committed per investor, not just more transactions being logged. A widening, deepening buyer pool supports liquidity at exit, which is the part of a Dubai purchase that gets the least attention until an investor actually needs to sell.

WHO IT AFFECTS

This matters most to you if you are comparing Dubai against other international property destinations for long term capital allocation, if you already hold Dubai property and are assessing how liquid that holding will be when you eventually want to exit, or if you are weighing an off-plan purchase and want evidence that the pool of future buyers is not shrinking.

INVESTOR READ

03 Implications, risks and opportunities

HISTORICAL CONTEXT

The Q1 2026 figures build on an already record 2024, in which Dubai recorded 226,000 real estate transactions worth AED 761 billion, with transaction volume up 36% and value up 20% year on year. Rather than the market retreating from that base, Q1 2026 shows another sharp increase in transaction value, with total real estate transactions of AED 252 billion in the quarter alone. Sales activity in July 2026 registered AED 34.9 billion across 13,930 transactions, with off-plan sales accounting for 69.1% of transactions by count, indicating the growth cycle described in the Q1 data was continuing into the following quarter.

IMPLICATIONS

Viewed through a capital preservation lens, the value of this data is in what it says about depth, not headline size. A market where new investors keep entering and where foreign participation keeps widening is a market where you are less dependent on a single buyer segment or a single nationality of capital to eventually sell your position. That said, none of this changes the fundamentals of any individual purchase. Price per square foot, developer delivery history, payment structure and rental demand still have to be underwritten deal by deal, which is exactly the discipline Provident Estate's own off-plan director pointed to when he noted that buyers are becoming more analytical as supply and choice increase.

RISKS

Two things are true at once. Foreign capital and new investor numbers are genuinely rising, but a rising tide does not lift every project equally, and the fact sheet itself notes that greater capital inflows do not guarantee equal performance across every development. Financing conditions are also a live consideration for any investor using leverage: the CBUAE base rate stood at 3.6% in June 2026 and 3 month EIBOR was 3.9% in August 2026, both of which raise the cost of borrowed capital relative to a cash purchase. There is also a concentration risk worth naming. Luxury real estate investment growth of 26% outpaced the wider market, and a market this reliant on continued foreign inflow is exposed if global capital flows shift for reasons that have nothing to do with Dubai itself, from currency moves to changes in competing jurisdictions. Investors should also treat single quarter data as one data point, not a trend, until it is confirmed by subsequent releases.

OPPORTUNITIES

The widening of the buyer base, evidenced by 29,312 new investors and an 11% rise in foreign investment count, works in favour of investors who prioritise exit liquidity over speculative upside. The parallel growth of the rental market, with 1.38 million tenancy contracts worth AED 126.4 billion in 2025, points to a genuine occupier demand base sitting underneath the investment story rather than pure capital appreciation speculation. For investors who apply the same scrutiny Provident Estate describes, comparing price per square foot against the July 2026 average of AED 1,680 per square foot, developer delivery history and payment structures, a deepening and more international buyer pool is a tailwind for eventual resale rather than a reason to relax due diligence.

WHAT TO WATCH

The Zawya release itself names the metrics that matter going forward: whether foreign capital continues to grow, whether new investors remain in the market rather than exiting after one cycle, how effectively future supply is absorbed, and whether rental and resale demand can support values beyond the initial launch period for any given project. Those are the indicators to track over the coming quarters rather than the next single transaction record.

THE BOTTOM LINE

04 What this means for Dubai investors

THE MEANING

If you are a UK or overseas investor assessing whether Dubai still has structural demand behind it, this data answers that question directly. Foreign capital did not just hold steady, it grew 26%, and the pool of people making that decision for the first time grew 14%. That is evidence of a market other outside investors are choosing to enter now, not a market you would be entering alone. It does not remove the need to underwrite any specific project on its own merits, but it does support the case that a well selected Dubai holding should have buyers on the other side of it when the time comes to sell.

> *“What stands out to me in this release is the 22% versus 7% divergence, value rising three times faster than the number of investments in that 173 billion AED segment. That tells me the investors coming into this market now are committing more capital per decision, which is a different signal to simply more people buying. When I'm advising on a purchase, that is the kind of data point that supports the exit conversation, not the entry conversation. The headline AED 252 billion figure will get the attention, but the more useful question for anyone doing this for the long term is whether the new investors entering this quarter are still holding, and still able to sell easily, in three to five years.*
>
> BRADLEY JAMES, DUBAI REAL ESTATE INVESTMENT ADVISOR

SOURCES AND VERIFICATION

Zawya, 'Dubai property draws AED 148.35bln in foreign investment as new investors surge 14%', 11 August 2026, citing Dubai Land Department data and comments from Loai Al Fakir and Mohammad Jaafari, Provident Estate. Bradley James data warehouse: Dubai Land Department sales transaction data for July 2026 and June 2026; Central Bank of the UAE base rate and EIBOR data for June and August 2026.

BRADLEY JAMES

INVESTMENT RESEARCH & STRATEGIC ADVISORY

Begin the conversation.

Every allocation starts with a candid, numbers-first discussion shaped around your mandate, risk profile and timeline.

Bradley James

ASSOCIATE DIRECTOR & SENIOR INVESTMENT ADVISOR

Bradley James is an Associate Director and Senior Investment Advisor based in Dubai, specialising in Dubai real estate, off-plan investment, strategic wealth allocation, portfolio diversification, and relocation and residency planning. He advises private investors and family offices on entering the Dubai market with the same rigour he applies to his own capital.

SPECIALISMS

- Dubai Real Estate
- Off-Plan Investment
- Strategic Wealth Allocation
- Portfolio Diversification
- Relocation & Residency Planning

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SOURCES
Zawya, 'Dubai property draws AED 148.35bln in foreign investment as new investors surge 14%', 11 August 2026, citing Dubai Land Department data and comments from Loai Al Fakir and

SCAN TO MESSAGE